

**REMARKS**

Claims 1-78 were previously pending in this application. Previously pending claims 1-3, 19-21, 36-39, 54-58, 65-69 and 74-78 are independent claims. By way of this amendment, Applicants add new independent claim 79 and dependent claim 80. Applicants submit that claims are supported by the specification, the figures, and the claims. Therefore, Applicants submit that no new matter has been entered by way of these amendments. Further, Applicants respectfully request reconsideration in view of the foregoing amendments and the following remarks.

**Claim Rejections —35 U.S.C. § 103**

The Office Action indicates that the previous rejections of claims 1-78 have been maintained. The previous rejections involve claims 1, 5-21, 22-35, 40-53, 58, 65-69, 70-77 as having been rejected under 35 U.S.C. § 103(a) as being unpatentable over Joao (U.S. Pat. No. 6,347,302) ("Joao"), in view of Bell, et al. (U.S. Pat. No. 6,574,606) ("Bell"), in further view of Joseph (2001/0034690) ("Joseph"). Claims 2, 38-39 and 56 have previously been rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Joao and Bell, in view of Ryan (US Pat. No. 6,304,859) ("Ryan"). Claims 3, 36-37, 54-55 and 57 have previously been rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Joao, in view of Ryan. Claim 78 has previously been rejected under 35 U.S.C. § 103(a), as being unpatentable over Joao, in view of Joseph. Applicants request reconsideration in view of the following remarks.

### **1. Claims 1-78 and New Claims 79-80 Are Patentable**

Applicants respectfully submit that a *prima facie* case of obviousness has not been established. The MPEP § 2143 sets forth the three fundamental requirements for establishing a *prima facie* case of obviousness:

1. [t]here must be some suggestion or motivation, in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings...
2. [t]here must be a reasonable expectation of success...[and]
3. the prior art reference (or references when combined) must teach or suggest all the claim limitations (emphasis added) (See, MPEP § 2143).

Applicants submit that the 3rd requirement must be satisfied even light of the recent discussion of the obviousness standard by Supreme Court in *KSR v. Teleflex* (See, *KSR International Co. v. Teleflex, Inc.*, 82 USPQ2d 1385 (U.S. April 30, 2007)).

Applicants submit that the Examiner has not established at least the third requirement to present a *prima facie* case of obviousness - that the combined prior art references teach or suggest all claim limitations, recited in the claims. Furthermore, in ¶ 2, on page 7 of the pending Office Action, the Examiner asserts "Applicant does not point to any specific distinction(s) between the features disclosed in the references and the features that are presently claimed (See, Office Action, Page 7, is ¶2). The Examiner continues, Applicant has failed to specifically point out how the language of the claims

patentably distinguishes them from the applied references. (emphasis in original)(See, Office Action, Page 7, is ¶2).

Applicants respectfully disagree and submit that Response dated January 18, 2006 pages 20-25 present a detailed discussion of at least some of the deficiencies of cited references with respect to the pending claims. More specifically, Applicants submit that the identified deficiencies in the cited reference, with regard to the pending claims clearly demonstrate the Examiner's failure to establish the third requirement for a *prima facie* case of obviousness - "the prior art references when combined must teach or suggest all the claim limitations." (See, MPEP § 2143). Applicants submit that these remarks are also relevant for demonstrating at least some of the deficiencies of the cited references, with regard to new claims 79 and 80.

In the event that the Examiner disagrees, Applicants request the Examiner specifically address the deficiencies identified by the Applicants in the combined references, with regard to the pending claims and demonstrate with particularity how the alleged references teach or suggest the explicit limitations recited in the pending claims.

**2. Explicit Discussion of Deficiencies in the Cited References, With Regard to the Pending Claims**

For the Examiner's convenience, Applicants include the explicit discussion of the deficiencies in the cited references, with regard to claims 1-78 from the Response dated January 18, 2006:

**I. Claims 1, 5-21, 22-35, 40-53, 58, 65-69 and 70-78 are patentable**

Independent claim 1 recites, *inter alia*:

A method for encouraging the purchase or re-leasing of an item after an expiration of a lease, comprising:

identifying a lease on an item that corresponds to an electronically stored record, the lease having an approaching expiration date;

identifying a customer corresponding to the lease; and

offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date.

Applicants submit that the cited references, taken alone or in combination, do not teach, disclose or suggest the elements recited in pending claim 1. More specifically,

Applicants submit that the cited references do not teach or suggest at least offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date, as recited in independent claim 1.

The Examiner acknowledges that, “Joao and Bell do not explicitly disclose offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date.” (See, Office Action, page 5, ¶ 6). Therefore, the Examiner asserts, “Joseph suggests offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date...[as allegedly disclosed in] Joseph, Page 5, P 0045-0047).” (See, Office Action, page 6, 1). Applicants disagree and submit that the Joseph does not teach, disclose, or suggest offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after expiration of the lease.

In contrast to independent claim 1, Joseph discusses a method for facilitating the transfer of an existing vehicle lease between parties (See, Joseph, Abstract). Joseph does not disclose, teach or suggest offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after expiration. Instead, Joseph's system is directed to allowing a current lessee to transfer the lease to another lessee before the lease expires (See, Joseph, ¶ [0003]). Joseph's system simply facilitates a searchable database of leases available for transfer prior to lease expiration (See, Joseph, ¶ [0007]).

Joseph system facilitates a listing user to obtain liability insurance in ¶ [0043] -[0047] if the existing lease indicates the original lessee (Joseph's listing user) is still liable for the vehicle despite transferring the lease to the subsequent lessee (Joseph's

searching user). The liability insurance link 210 simply provides the original lessee with an option to request an application for insurance (See, Joseph, ¶ [0043]). Joseph indicates, "The electronic [request] message 250 may initiate an automated preparation of an insurance application which can be electronically forwarded to the insurance provider for approval." (See, Joseph, ¶ [0045]). Instead of offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after expiration as recited in independent claim 1, Joseph discusses providing the listing user ("a seller") with the option to submit an application for insurance.

Joseph's insurance application is: (a) not a paid insurance policy; (b) not offered to a customer; (c) not offered in exchange for purchasing or re-leasing the item, and (d) not offered to the lessee to purchase or re-lease the item after expiration of the lease. Accordingly, Applicants submit that independent claim 1 is not rendered obvious in light of Joao, Bell, or Joseph, taken alone or in combination, and that the cited references do not teach, disclose or suggest the claimed invention. Applicants submit that independent claim 78 is not rendered obvious in light of Joao or Joseph, taken alone or in combination, and that the cited references do not teach, disclose or suggest the claimed invention.

## **II. Claims 2, 38-39 and 56 and Claims 3-4, 36-37, 54-55 and 57 are patentable**

A. Independent claim 2 recites, *inter alia*:

A method for encouraging the purchase or re-leasing of an item after an expiration of a lease, comprising...

calculating a difference between an actual residual value and a projected residual value of the item; and

determining a term for an insurance policy, the insurance policy having an insurance premium at most equal to the difference; and

if the customer purchases or re-leases the item at the expiration of the lease, paying the insurance premium on behalf of the customer for the term of the insurance policy.

Applicants submit that the elements recited in independent claim 2 are not taught, disclosed or suggested by Joao, Bell or Ryan, taken alone or in combination.

The Examiner acknowledges that "Joao and Bell do not explicitly disclose calculating a difference between an actual residual value and a projected residual value of the item; and if the customer re-leases the item at the expiration of the lease, paying the insurance premium on behalf of the customer for the term of the insurance policy." (See, Office Action, page 14, ¶ 2). The Examiner asserts, "these features are known in the art as evidenced by Ryan." (See, Office Action, page 14, ¶ 3). The Examiner relies on Ryan, Col. 6, lines 5-67 as allegedly remedying the deficiencies of Joao and Bell. More specifically, the Examiner states, "It would have been obvious...to have included the features of Ryan with the motivation of providing a system performing three processes which ideally occur simultaneously, 1.) optimal premium determination, 2.) current cash

value monitoring, and 3) periodic reporting." Applicants submit that even assuming Ryan discusses optimizing a premium, monitoring a current cash value and periodic reporting, the pending claims are still patentably distinct from Ryan, taken alone or in combination with Joao and/or Bell.

Applicants submit that Ryan does not remedy the deficiencies identified in Joao and Bell. Ryan is directed to facilitating financial interactions for optimizing a life insurance premium. More specifically, Ryan's system links an insurance carrier with an independent lending institution to determine the optimal premium structure for a contemplated variable life insurance product using a portion of the policy owner's money and a lending institution loan to finance the premium (See, Ryan, Abstract). Ryan, in Col. 6, lines 5-15, defines a set of rules for optimizing the life insurance premium. Applicants submit that the Ryan's rules do not teach or suggest, "calculating a difference between an actual residual value and a projected residual value of the item..." as asserted by the Examiner and recited in independent claim 2. Instead, Ryan's system determines:

whether the projected before-tax cash value for the expected year of retirement is sufficient to meet the desired retirement cash total after the payment of taxes and the repayment of the loan, in addition to determining if the calculated face amounts are equal to or greater than the targeted face amounts during employment." (See, Ryan, Col. 6, lines 11-17) (emphasis added).



Accordingly, Applicants submit that Ryan's premium optimization does not teach, disclose or suggest calculating a difference between an actual residual value and a projected residual value of the item, as recited in independent claim 2.

Furthermore, Applicants submit that none of Ryan's optimization calculations; monitoring an actual cash value; or reporting procedures teach, disclose or suggest, "if the customer purchases or re-leases the item at the expiration of the lease, paying the insurance premium on behalf of the customer for the term of the insurance policy." Accordingly, Applicants submit that the elements in independent claim 2 are not obvious in light of Ryan, Joao, or Bell, taken alone or in combination.

**B.** Similarly, Applicants submit that neither Joao, nor Ryan teach, disclose or suggest the elements recited in independent claim 3.

Independent claim 3 recites, *inter alia*

A method for receiving an insurance policy for an item, comprising:

- leasing an item for a predetermined period of time;
- creating an electronic record associated with the item;
- storing the electronic record;
- purchasing the item at the expiration of the predetermined period of time; and
- receiving an insurance policy for the item, wherein at least a portion of the premium corresponding to the insurance policy is paid by a third party, in exchange for the purchase of the item.

Applicants submit that the cited references do not teach, disclose, or suggest at least receiving an insurance policy for the item, wherein at least a portion of the premium

corresponding to the insurance policy is paid by a third party, in exchange for the purchase of the item.

The Examiner acknowledges, "Joao does not explicitly disclose receiving an insurance policy for the item wherein at least a portion of the premium corresponding to the insurance policy is paid by a third party in exchange for the purchase of the item." (See, Office Action, page 17, ¶ 2). Therefore, the Examiner asserts Ryan remedies the identified deficiency in Ryan, Col. 4, lines 22-67. However, Applicants submit that Ryan does not teach, disclose or suggest a third party paying at least part of the premium in exchange for the purchase of the item, as recited in independent claim 3.

In Col. 4, lines 22-67, Ryan does not teach, disclose or suggest a third party paying even a portion of the premium, in exchange for the purchase of the item. Instead, Ryan simply discusses a set of calculations for "determining an optimum life insurance premium necessary to achieve financial security at retirement..." (See, Ryan, Col. 4, lines 25-31). Applicants submit that the claimed third party payment of at least part of the calculated premium is not obvious in light of Ryan's distinct optimal premium calculations; current cash value monitoring; and/or periodic reporting. Accordingly, Applicants submit that the elements in independent claim 3 are not obvious in light of Ryan, or Joao, taken alone or in combination.

**Conclusion**

For at least these reasons, Applicants submit that independent claims 1, 2 and 3 are patentably distinct from the cited references, taken alone or in combination, for at least these reasons. Applicants submit that claims 5-21, 22-35, 40-53, 58, 65-69 and 70-78; claims 38-39 and 56; claims 4, 36-37, 54-55 and 57, as well as new claims 79 and 80 are also patentably distinct from the cited references, taken alone or in combination, for at least similar reasons. Therefore, Applicants request withdrawal of these grounds of rejections.

**AUTHORIZATION**

The Commissioner is hereby authorized to charge any additional fees which may be required for consideration of this Amendment to Deposit Account No. 03-1240, Order No. 17246-003. In the event that an additional extension of time is required, or which may be required in addition to that requested in a petition for an extension of time, the Commissioner is requested to grant a petition for that extension of time which is required to make this response timely and is hereby authorized to charge any fee for such an extension of time or credit any overpayment for an extension of time to Deposit Account No. 03-1240, Order No. 17246-003.

Respectfully Submitted,

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